

Service Date: March 27, 1989

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

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IN THE MATTER of the Application)	UTILITY DIVISION
of the BUTTE WATER COMPANY for)	
Authority to Increase Rates and)	DOCKET NO. 88.9.29
Charges for Water Service to its)	
Butte, Montana Customers.)	ORDER NO. 5382a

INTERIM RATE ORDER

BACKGROUND

On September 26, 1988 Butte Water Company (BWC) filed for an interim rate increase along with its application for authority to increase water rates and charges to its Butte, Montana customers.

Following a hearing on November 21, 1988 the Commission issued its order on December 2, 1988 granting an interim rate increase resulting in annual revenues in the amount of \$460,166 and directing BWC to file revised tariffs accordingly, with which BWC complied.

FINDINGS OF FACT

BWC has filed revised interim tariff tables for Butte Division incorporating a reduction of flat rate charges, other than sprinkling, of 8.23 percent from the interim rates under Order No. 5382, pending the final rate hearing in this docket scheduled for April 18, 1989.

The revised tariffs were reduced to reflect a rebate of revenues over-collected during the period of December 1, 1988 through March 31, 1989 under the interim rates in Order No. 5382, pursuant to a submission of Butte Water Company dated March 16, 1989.

The combined overcharge and interest, according to BWC, are \$38,601 which will be returned to the ratepayers over a four month period.

The charges in the revised tariff tables result in an annual revenue increase of \$321,253 over rates in effect before December 1, 1988.

BWC proposes to begin billing Butte Division customers under the reduced tariffs on April 1, 1989.

CONCLUSIONS OF LAW

1. Butte Water Company is a public utility furnishing water service to customers in the Butte, Montana area, and is subject to the supervision, regulation and control of this Commission pursuant to Section 69-3-102, MCA.

2. Section 69-3-304, MCA, provides that the Commission may, in its discretion, temporarily approve decreases pending a hearing or final decision.

3. The Commission concurs with BWC's revised tariff tables reducing rates and granting the rebates and interest for overcollection from Butte customers, pursuant to § 69-3-304, MCA.

ORDER

THEREFORE THE MONTANA PUBLIC SERVICE COMMISSION ORDERS THAT:

1. Butte Water Company is hereby granted authority to implement its interim reduced tariffs designed to collect \$321,253 and to rebate \$38,601 to its Butte division customers for overcollection from December 1, 1988 to April 1, 1989.

2. Butte Water Company shall begin billing according to the revised schedule in the billing period of April 1, 1988.

3. The interim reduction shall become effective as of the date of this order.

DONE IN OPEN SESSION THIS 27th day of March, 1989 by a vote of
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BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

CLYDE JARVIS, Chairman

JOHN B. DRISCOLL, Commissioner

HOWARD L. ELLIS, Commissioner

WALLACE W. "WALLY" MERCER, Commissioner

DANNY OBERG, Commissioner

ATTEST:

Ann Purcell
Acting Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See ARM 38.2.4806.